

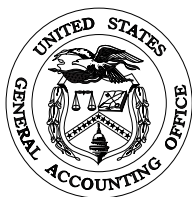
GAO

Report to the Chairman, Subcommittee
on Department Operations, Oversight,
Nutrition, and Forestry, Committee on
Agriculture, House of Representatives

May 1999

YEAR 2000 COMPUTING CRISIS

USDA Needs to Accelerate Time Frames for Completing Contingency Planning





United States General Accounting Office
Washington, D.C. 20548

Accounting and Information
Management Division

B-282664

May 21, 1999

The Honorable Bob Goodlatte
Chairman
Subcommittee on Department Operations,
Oversight, Nutrition, and Forestry
Committee on Agriculture
House of Representatives

Dear Mr. Chairman:

As you know, the Department of Agriculture (USDA) provides public services that are vital to the health, safety, and well being of Americans. To minimize possible disruptions in service caused by the Year 2000 computing issue, USDA needs to prepare and test business continuity and contingency plans (BCCPs). At your request, we identified actions USDA is taking to develop Year 2000 BCCPs and briefed your office on the results of our work on April 20, 1999. The briefing slides are in appendix I.

This report provides a high-level summary of information presented at that briefing and presents recommendations we are making to USDA to ensure that the department completes the necessary contingency planning steps and validates its plans in advance of the new year.

Results in Brief

Under the leadership of the department's chief information officer (CIO) and Year 2000 program office, USDA component agencies are actively engaged in developing BCCPs to prepare for unforeseen Year 2000-related failures. However, much work remains over the next several months to complete and test USDA's BCCPs. The department's December 1999 departmentwide goal for completing BCCPs leaves no room for delays or sufficient time for correcting, revising, and retesting plans if necessary. Therefore, we are recommending that USDA advance its time frame to no later than September 30, 1999, and develop priorities for completing and testing BCCPs that are aligned with the department's highest priority business processes to ensure that remaining work addresses these processes first. USDA's CIO agreed to implement our recommendations.

Background

The Year 2000 computing problem poses significant risks which, if not adequately addressed, could have serious consequences. For example,

- public health and safety could be at risk if systems and equipment used to detect and track diseases, unwholesome foods, and agricultural pests do not function properly; and
- food assistance to needy households and food distribution to schools and others could be stopped or delayed.

Ensuring that these and other vital public services are not disrupted at the turn of the century is no small undertaking in such a large and diverse organization as USDA. According to USDA's March 31, 1999, report to the Office of Management and Budget (OMB) on the status of its Year 2000 efforts, the department has 352 mission critical systems, of which 337, or about 96 percent, are compliant.¹ USDA said it expects to have the 15 remaining systems retired, replaced, or repaired by October 31, 1999.

The risk of Year 2000 failures, however, is not limited to USDA's internal information systems. As is the case with other federal agencies, USDA depends on information and data provided by business partners—including other federal agencies, hundreds of state and local agencies, international organizations, and private sector entities. Dependencies on services provided by the public infrastructure must also be taken into account—including power, water, transportation, and voice and data communications. One weak link anywhere in the chain of critical dependencies can cause major disruptions to business operations.

Given these interdependencies and risks, it is imperative that BCCPs be developed to identify, assess, manage, and mitigate Year 2000 risks and help ensure the continuity of all core business processes. Such plans focus on reducing the risk of Year 2000-induced business failures by helping to safeguard an agency's ability to produce a minimum acceptable level of outputs and services in the event of failures of internal or external mission-critical information systems and services. It also links management and mitigation efforts to the agency's Year 2000 program, and helps to identify alternate resources and processes needed to operate the agency's core business processes.

¹The department reported that it had revised the number of mission critical systems from 352 to 350 on April 9, 1999.

To help agencies manage the risk of potential Year 2000-induced disruptions to their operations, we prepared the Year 2000 Computing Crisis: Business Continuity and Contingency Planning² guide. This guide, which has been adopted by OMB as the standard federal agencies should use in preparing BCCPs, identifies four phases—initiation; business impact analysis; contingency planning; and testing—that cover key steps necessary to complete business continuity and contingency planning.

USDA and Its Agencies Are Actively Engaged in Developing BCCPs

In July 1998, the CIO's Year 2000 program office issued USDA's Year 2000 Business Continuity (Contingency) Planning Guide³ for its agencies and offices to follow in preparing BCCPs. At the CIO's direction, mission areas, agencies, and offices were required to identify core business processes for each mission area and prepare and submit BCCPs approved by their mission area undersecretaries by September 30, 1998. This date was later extended to October 30, 1998. Also, the Year 2000 program office provided agencies with training as well as a template and matrix to use in developing their BCCPs.

In January 1999, the Year 2000 program office obtained contractor assistance with developing a departmentwide BCCP that is intended to integrate the agencies' and offices' BCCPs and define the highest risk processes and systems. As part of the department's ongoing BCCP work, 43 of its 79 total core business processes and 52 of its 352 total mission critical systems have been identified as USDA's highest priority processes and systems.

Fifteen USDA component agencies are most directly responsible for accomplishing the department's missions and programs.⁴ Eight of these

²Year 2000 Computing Crisis: Business Continuity and Contingency Planning (GAO/AIMD-10.1.19, August 1998).

³USDA's guide parallels our guide, Year 2000 Computing Crisis: Business Continuity and Contingency Planning.

⁴The 15 component agencies are: Agricultural Marketing Service (AMS); Agricultural Research Service (ARS); Animal and Plant Health Inspection Service (APHIS); Cooperative State Research, Education, and Extension Service (CSREES); Economic Research Service (ERS); Farm Service Agency (FSA); Food and Nutrition Service (FNS); Food Safety and Inspection Service (FSIS); Foreign Agricultural Service (FAS); Forest Service (FS); Grain Inspection, Packers and Stockyards Administration (GIPSA); National Agricultural Statistics Service (NASS); Natural Resources Conservation Service (NRCS); Risk Management Agency (RMA); and Rural Development (RD). The RD mission area includes Rural Utilities Service, Rural Housing Service, and Rural Business-Cooperative Service. Since there was only one BCCP addressing all three, we counted these as one component agency.

agencies submitted draft BCCPs by the October 30, 1998, deadline. Another six submitted their draft plans from November 1998 through January 1999. While the one remaining agency—NRCS—also submitted a draft plan, the mission area undersecretary had not approved it at the completion of our review on March 31, 1999.

The CIO's Year 2000 program office also required that the agencies submit quarterly updates to their BCCPs. These updates are to be submitted in April, July, October, and December 1999.

Much Work Remains to Complete and Test Agencies' Draft BCCPs

Much more work remains over the next several months to complete and test USDA's draft BCCPs. We reviewed the draft plans and progress reports prepared by USDA's 15 component agencies using the four-phased planning approach outlined in our business continuity and contingency planning guide and USDA's guide and found that, as of the end of our review, the agencies had

- completed the initiation phase or had it underway;
- completed most of the business impact analysis phase, but had not yet identified how minimum acceptable levels of output and recovery time objectives would be defined;
- started the contingency planning phase, but descriptions of contingency measures and actions were too general and/or vague to be implemented as written; and
- not begun the testing phase and most had not developed plans or milestones for doing so.

Progress Completing Key BCCP Steps Varied at Four Component Agencies

At the four agencies we visited— FSIS, APHIS, FSA, and FNS⁵—progress in completing unaddressed key BCCP steps varied. Our review of actions underway or planned by these agencies to complete BCCPs found that, as of March 31, 1999,

- none had yet determined minimal acceptable levels of output or completed work defining contingency procedures;

⁵Ensuring Year 2000 risks are addressed at these agencies is especially important given their vital health and safety, financial, and/or economic missions.

-
- all planned to better define contingencies or were in the process of doing so;
 - FSIS and FSA had recently established testing milestones, but APHIS had not done so (FNS' draft BCCP included one testing milestone, but this milestone had been missed); and
 - all planned to do testing when ready, but said they currently did not know how testing would be performed.

USDA's Time Frame for Completing and Testing BCCPs Is Too Late

USDA reported in its February 1999 Year 2000 quarterly report to OMB that it expected to complete all BCCPs by December 1999. This time frame leaves no room for slippages in dates or time for correcting and retesting the BCCPs should this be necessary. Moreover, the department's December 1999 time frame falls after the beginning of the new fiscal year (October 1, 1999). At that time, the risks of Year 2000-induced failures will increase because of federal agencies' use of fiscal year 2000 dates.

In January 1999, we testified that OMB should consider establishing dates of April 30, 1999, for agencies to complete their BCCPs and September 30, 1999, to complete testing.⁶ By doing so, agencies would have time to adjust work schedules should milestones slip and to address any shortfalls found when testing plans and make necessary adjustments. These time frames would also allow agencies to be prepared for Year 2000 failures that could have already occurred by the beginning of the new fiscal year. Although OMB has not yet established specific governmentwide milestones for agencies to complete and test their BCCPs, OMB stated recently that it is developing a process to coordinate work on BCCPs across government agencies. In doing so, the agencies have been informally notified to be prepared to submit BCCPs to OMB in June 1999.

To allow time for any slippages that might occur or time for correcting and retesting plans if necessary, USDA will need to establish an earlier milestone for completing and testing BCCPs, such as the September 1999 date we have suggested. Given the substantial amount of BCCP work remaining, moving up the department's December 1999 time frame would also require USDA's agencies and offices to establish priorities for ensuring that, at a minimum, BCCPs are first completed for the highest priority business processes. USDA has determined that 43 of the component

⁶Year 2000 Computing Crisis: Readiness Improving, But Much Work Remains to Avoid Major Disruptions (GAO/T-AIMD-99-50, January 20, 1999).

agencies' and offices' 79 core business processes are the department's highest priority processes. However, neither USDA, nor its component agencies and offices, have established priorities for completing BCCPs to address Year 2000 risks for these 43 high priority business processes first.

Recommendations

We recommend that the Secretary of Agriculture direct that the CIO advance the department's December 1999 time frame for completing and testing agencies' BCCPs to no later than September 30, 1999.

We also recommend that the Secretary direct that the Undersecretaries for USDA's seven mission areas, as well as the CIO, Chief Financial Officer, and Assistant Secretary for Administration, have their respective agencies and offices

- develop priorities for completing and testing BCCPs which are aligned with the department's 43 highest priority business processes to ensure that remaining work addresses these processes first;
- establish specific milestones to complete key interim BCCP steps that have not yet been addressed; and
- report regularly to the Secretary progress on meeting these milestones to ensure that the agencies and offices adequately address all key BCCP steps that are appropriate to each agency.

On April 8, 1999, we provided a copy of our briefing materials, which were used in preparing this report, to USDA's CIO, deputy CIO, and officials representing USDA's Year 2000 program office. These officials agreed with our findings and the CIO stated that USDA planned to implement our recommendations.

Objective, Scope, and Methodology

As requested, our objective was to identify actions USDA has taken to develop business continuity and contingency plans. To do this, we reviewed departmental guidance and discussed with Year 2000 program officials in USDA's CIO office how this guidance was being implemented. We also reviewed draft BCCPs and progress reports prepared by the 15 USDA agencies most directly responsible for accomplishing the department's missions and programs. We identified what work remained to complete these plans by comparing them, and information contained in progress reports, to our business continuity and contingency planning guide. Because we focused on the continuity of USDA's core missions and

programs, we did not include in our review the draft BCCPs prepared by USDA staff offices, such as the CIO and the Chief Financial Officer.

Further, to determine actions underway or planned to complete key BCCP steps, we interviewed Year 2000 planning officials at four agencies—APHIS, FSA, FSIS, and FNS—and reviewed their documents and materials discussing BCCP activities. Our focus at these agencies was on key steps that had not been addressed by most agencies in their draft BCCPs. These included six areas: (1) acceptable levels of output/recovery time objectives, (2) contingency plans and implementation modes, (3) business resumption teams, (4) “zero day” strategy, (5) BCCP test plans, and (6) BCCP test completion milestones.

We conducted our review from September 1998 through March 1999 in accordance with generally accepted government auditing standards. Our work was done at USDA headquarters in Washington, D.C., at the CIO’s office and the CIO’s Year 2000 program office. We also conducted work at agency offices of FSIS and APHIS in Washington, D.C.; FNS in Alexandria, Virginia; and FSA in Kansas City, Missouri.

As agreed with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of this letter. At that time, we will send copies of this report to Representative Eva Clayton, Ranking Minority Member of your Subcommittee; Representatives Larry Combest, Chairman, and Charles Stenholm, Ranking Minority Member, House Committee on Agriculture; Representatives Steven Horn, Chairman, and Jim Turner, Ranking Minority Member, House Committee on Government Reform, Subcommittee on Government Management, Information and Technology; Senators Richard Lugar, Chairman, and Tom Harkin, Ranking Minority Member, Senate Committee on Agriculture, Nutrition, and Forestry; Senators Robert Bennett, Chairman, and Christopher Dodd, Ranking Minority Member, Senate Special Committee on the Year 2000 Technology Problem; the Honorable Daniel Glickman, Secretary of Agriculture; and the Honorable Jacob Lew, Director, Office of Management and Budget; and other interested parties. Copies will also be made available to others upon request.

If you have any questions on matters discussed in this letter, please call me at (202) 512-6408 or Stephen A. Schwartz, Senior Assistant Director, at (202) 512-6213. Other major contributors to this report are listed in appendix II.

Sincerely yours,

A handwritten signature in cursive script that reads "Joel Willemsen".

Joel C. Willemsen
Director, Civil Agencies Information Systems

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Briefing on Year 2000 USDA Contingency Planning



Accounting and Information
Management Division



USDA's Year 2000 Business Continuity and Contingency Plans

House Committee on Agriculture
Subcommittee on Department Operations,
Oversight, Nutrition, and Forestry

April 20, 1999



Purpose

Purpose of briefing is to provide the results of our review of USDA's efforts to develop business continuity and contingency plans (BCCPs)

- Review Objective
- Scope and Methodology
- Background
- Summary Results
- Steps Taken By USDA's Chief Information Officer (CIO) and the Agencies to Develop BCCPs
- Status of Agencies' Draft BCCPs
- Evaluation of Component Agencies' Draft BCCPs
- Actions at Four Component Agencies to Complete Key BCCP Steps
- Observations on USDA's BCCP Time Frames and Milestones
- Recommendations



Review Objective

We were asked to:

Identify what action USDA has taken to
develop BCCPs for addressing its Year 2000
risks



Scope and Methodology

- We reviewed departmental BCCP guidance and discussed how this guidance was being implemented with Year 2000 program officials
- We reviewed draft BCCPs prepared by the 15 USDA component agencies most directly responsible for accomplishing the department's seven key missions

- | | |
|---|---|
| • Agricultural Research Service (ARS) | • Natural Resources Conservation Service (NRCS) |
| • Cooperative State Research, Education, and Extension Service (CSREES) | • Forest Service (FS) |
| • Economic Research Service (ERS) | • Farm Service Agency (FSA) |
| • Food Safety and Inspection Service (FSIS) | • Foreign Agricultural Service (FAS) |
| • Animal and Plant Health Inspection Service (APHIS) | • Risk Management Agency (RMA) |
| • Agricultural Marketing Service (AMS) | • Food and Nutrition Service (FNS) |
| • Grain Inspection, Packers and Stockyards Administration (GIPSA) | • National Agricultural Statistics Service (NASS) |
| | • Rural Development (RD)* |

*The RD mission area includes Rural Utilities Service, Rural Housing Service, and Rural Business-Cooperative Service. Since there was only one BCCP addressing all three, we counted these as one component agency.



Scope and Methodology (Cont'd)

- We used our guide,* which was adopted by OMB as the standard federal agencies should use in preparing BCCPs
- The guide includes key planning steps for completing the following four phases

Phase I	<u>Initiation</u> — Establish a planning strategy, work group, milestones, and identify core business processes
Phase II	<u>Business Impact Analyses</u> — Analyze risks and possible Year 2000 impacts, define failure scenarios, define minimum levels of output and service for core processes
Phase III	<u>Contingency Planning</u> — Develop contingency plans and define when and how they will be implemented
Phase IV	<u>Testing</u> — Validate agencies' BCCPs

*Year 2000 Computing Crisis: Business Continuity and Contingency Planning (GAO/AIMD-10.1.19, August 1998)



Scope and Methodology (Cont'd)

- We also visited four agencies--FSIS, APHIS, FSA, and FNS--to identify additional actions either underway or planned for completing work on the draft BCCPs
- We also reviewed agency progress reports and other USDA documentation to identify time frames and milestones for completing BCCPs and track departmentwide progress
- Because we focused on continuity of USDA's core missions and programs, we did not include in our review draft BCCPs prepared by USDA staff offices, such as the Office of Chief Information Officer and the Office of the Chief Financial Officer



Scope and Methodology (Cont'd)

- We conducted work at
 - USDA's CIO Office and the CIO's Year 2000 program office, FSIS, FSA, and APHIS in Washington, D.C.
 - FNS in Alexandria, Virginia
 - FSA in Kansas City, Missouri
- We performed our work from September 1998 through March 1999 in accordance with generally accepted government auditing standards



Background

- Year 2000 computing problems pose significant risks, which if not adequately addressed, could result in severe consequences
 - for example, at USDA
 - public health/safety is at risk if systems and equipment do not work to detect unwholesome foods
 - food assistance to needy households could be delayed
- Data exchanges with business partners and public infrastructures (i.e., telephone, power, etc.) create additional risks



Background (Cont'd)

- BCCPs safeguard an agency's ability to produce a minimum acceptable level of outputs and services in the event of Year 2000 failures by
 - identifying critical functions that may be affected by the agency's internal information systems as well as outside services, such as the ability of suppliers to provide products, services, data, or the loss of critical infrastructure (i.e., communications, power, etc.)
 - describing risk mitigation strategies and work-around alternatives to ensure continuity of the agency's core business functions, especially those functions with the most immediate and direct effect on the public



Background (Cont'd)

- Ensuring that vital public services are not disrupted at the turn of the century is no small undertaking in such a large and diverse organization as USDA
- As of OMB's March 31, 1999 deadline for achieving Year 2000 compliance for all internal information systems, USDA reported
 - 337 of its 352 mission critical systems are compliant



Background (Cont'd)

- USDA's CIO is responsible for leading the department's preparation for Year 2000
- CIO established a Year 2000 program office, under the direction of a Year 2000 Program Executive, to:
 - oversee efforts to ensure that all critical USDA information systems are Year 2000 compliant and operational before the end of 1999
 - provide departmentwide leadership and direction in Year 2000 business continuity and contingency planning, which includes:
 - providing departmentwide BCCP guidance and training
 - assisting agencies/offices in identifying core business processes and developing their BCCPs
 - monitoring agencies'/offices' efforts to fully develop and test BCCPs for USDA's core business processes



Summary Results

- Under the leadership of the CIO and Year 2000 program office, USDA agencies are actively engaged in developing business continuity and contingency plans to address the department's Year 2000 risks
- Agencies have submitted draft BCCPs
- Much more work remains over the next several months to complete and test USDA's BCCPs



Summary Results (Cont'd)

- Our review of agencies' draft BCCPs and progress reports found that overall, the agencies had
 - completed initiation (Phase I) or had it underway
 - completed some business impact analysis (Phase II), but had not yet identified how minimum acceptable levels of output and recovery time objectives would be defined
 - started contingency planning (Phase III), but descriptions of contingency measures and actions were too general and/or vague to be implemented as written
 - not begun testing BCCPs (Phase IV) and most had not developed plans or milestones for doing so



Summary Results (Cont'd)

- Our visits to four agencies showed that, as of the end of March 1999, progress varied on completing key BCCP steps left in Phases II-IV that had not been addressed in their draft plans
- USDA's recently established December 1999 time frame for completing BCCPs
 - leaves no room for slippage in dates or for correcting and retesting plans if necessary
 - is after the beginning of fiscal year 2000 (October 1, 1999), when potential failures could have already occurred



Steps Taken By USDA's CIO and the Agencies to Develop BCCPs

- In July 1998, the CIO
 - issued USDA's "Year 2000 Business Continuity (Contingency) Planning Guide" that parallels our BCCP guidance
 - required mission areas, agencies, and offices to
 - identify core business processes for each mission area
 - prepare and submit completed BCCPs to the CIO's Year 2000 program office by September 30, 1998
- In August 1998, the Secretary extended the deadline for submitting BCCPs to October 30, 1998



Steps Taken By USDA's CIO and the Agencies to Develop BCCPs (Cont'd)

- In September 1998, the Year 2000 program office, with the assistance of a contractor, provided agencies with training and a template to use in developing BCCPs and a matrix for each core process they identified to describe

Risks and Threats	Events having a negative impact on core business function or critical system
Time Horizon To Failure	Date when risk/threat first impacts
Business Priorities	Areas of emphasis
Risk Mitigation	Action to eliminate/reduce likelihood of risk/threat prior to time horizon or failure
Contingencies	Planned action to eliminate or reduce impact of risk/threat
Triggers	Event causing contingency plan to be implemented



Steps Taken By USDA's CIO and the Agencies to Develop BCCPs (Cont'd)

- In January 1999, the Year 2000 program office obtained contractor assistance to support the department's ongoing BCCP effort by
 - starting to evaluate USDA agencies' and offices' draft BCCPs
 - providing advice to agencies on carrying out contingency planning activities
 - assisting with the development of a departmentwide BCCP that integrates the agencies' and offices' BCCPs and defines highest risk processes and systems



Steps Taken By USDA's CIO and the Agencies to Develop BCCPs (Cont'd)

- As part of USDA's ongoing BCCP work,
 - 43 of the department's 79 total core business processes were identified as its highest priority
 - 52 of the department's 352 total mission critical systems were identified as its highest priority

(USDA has determined that these 43 processes and 52 systems represent the greatest health and safety, financial, and /or economic impacts)



Status of Agencies' Draft BCCPs

- Component agencies we reviewed have submitted draft BCCPs
 - 8 submitted draft plans approved by mission area undersecretaries by the October 30, 1998 deadline
 - 6 submitted approved draft plans between November 1998 and January 1999
 - NRCS submitted a draft plan that has not yet been approved
- Since January 1999
 - agencies have begun to modify the draft plans in response to comments by the CIO's Year 2000 program office that identified items such as
 - template/matrices not completed
 - core business processes/critical systems not discussed
 - agencies are required to submit quarterly updates of their BCCPs to the CIO's Year 2000 program office in April, July, October, and December 1999



Evaluation of Component Agencies' Draft BCCPs

- We reviewed draft BCCPs and available progress reports prepared by 15 component agencies and found that much more work remains over the next several months to complete and test these plans
- Overall, the agencies generally had
 - completed initiation (Phase I) or had it underway
 - completed most of the business impact analysis (Phase II), but had not yet identified whether or how minimum acceptable levels of output and recovery time objectives would be defined
 - started contingency planning (Phase III), but descriptions of contingency measures and actions were too general and/or vague to be implemented as written
 - not begun testing BCCPs (Phase IV) and most had not developed plans or milestones for doing so



Evaluation of Component Agencies' Draft BCCPs (Cont'd)

Status of Phase I Efforts

Initiation Key Steps	<ol style="list-style-type: none">1. Establish work groups2. Develop high-level planning strategy3. Identify core processes4. Define roles and responsibilities5. Develop master schedule/milestones6. Implement risk management7. Assess existing disaster recovery capabilities8. Implement quality assurance reviews
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- Draft plans showed all agencies had initiated BCCP planning efforts by
 - establishing work groups
 - developing a planning strategy
 - identifying core business processes
 - defining roles and responsibilities
- Status of work on the remaining BCCP initiation steps varied by agency, but generally, was not yet complete
 - for example, most plans mentioned milestones, but did not include time frames for completing interim BCCP steps and for completing and testing plans



Evaluation of Component Agencies' Draft BCCPs (Cont'd)

Status of Phase II Efforts

Business Impact Analysis Key Steps

1. Define information requirements and methods to be used in developing BCCP
2. Define Year 2000 failure scenarios
3. Perform risk and impact analyses of each core business process
4. Assess and document infrastructure risks
5. Define minimum levels of outputs and services for each core business process

- Agencies' draft plans
 - discussed information requirements
 - identified methods of developing BCCPs and Year 2000 failure scenarios
 - included results of risk and impact analysis for each core process
- However, none of the agencies' BCCPs identified whether or how minimum acceptable levels of output and recovery time objectives for all their core processes would be defined

[This step is important for choosing appropriate contingency alternatives and establishing the agency's recovery priorities (Phase III)]



Evaluation of Component Agencies' Draft BCCPs (Cont'd)

Status of Phase III Efforts

Contingency Planning Key Steps

1. Assess cost/benefits of contingency alternatives and select best contingency for each core business process
2. Identify and document contingency plans and implementation modes
3. Define triggers for activating plans
4. Establish business resumption team for each core business process
5. Develop "zero day" strategy and procedures

- Agencies identified contingencies in their draft BCCPs in very general and/or vague terms and did not cover all contingency planning steps
 - for example, for many of FNS' contingencies, it said only that it would revert to manual processes, identify the problem, and work with contractor to correct it, but gave no further information to describe how this would be done
 - other agencies, such as FS, APHIS, GIPSA, NRCS, NASS, and RD, also discussed using manual processes in general terms, but did not identify contingency procedures, resources and staff roles, and timetables to implement them



Evaluation of Component Agencies' Draft BCCPs (Cont'd)

Status of Phase IV Efforts

Testing Key Steps

1. Validate business continuity strategy
2. Develop contingency test plans
3. Establish test teams and acquire resources
4. Prepare and execute tests
5. Validate capability of contingency plans
6. Rehearse business resumption teams
7. Update BCCPs based upon lessons learned and re-test, if necessary
8. Update disaster recovery plans and procedures

- Some BCCPs and progress reports indicated that testing (Phase IV steps) would be done in the future
- Six agencies (FNS, FSA, FAS, FS, AMS, and ARS) identified testing milestones, but none showed that test plans had been developed



Actions At Four Component Agencies to Complete Key BCCP Steps

- To identify actions underway or planned by agencies to complete key planning steps in their draft BCCPs, we visited the following four agencies
 - FSIS
 - APHIS
 - FSA
 - FNS
- Ensuring Year 2000 risks are addressed at these agencies is especially important given their vital health and safety, financial, and/or economic missions



Actions At Four Component Agencies to Complete Key BCCP Steps (Cont'd)

- As of the end of March 1999, progress varied among the four agencies on completing key BCCP steps left in Phases II-IV that had not been addressed in their draft plans
- Specifically, our visits to the four agencies found that
 - none had yet determined minimal acceptable levels of output or completed work defining contingency procedures
 - all planned to better define contingencies or were in the process of doing so
 - FSIS and FSA had recently established testing milestones, but APHIS had not done so (FNS' draft BCCP included one testing milestone, but this milestone had been missed)
 - all planned to do testing when ready, but said they currently did not know how testing would be performed



Actions At Four Component Agencies to Complete Key BCCP Steps (Cont'd)

FSIS ensures that our nation's meats, poultry, and processed egg product supply is safe

Key BCCP Steps Remaining At FSIS

Acceptable Levels of Output/Recovery Time Objective	Step is not being done because FSIS believes its core business processes must continue at current operational levels and cannot be down for any period of time.
Contingency Plans and Implementation Modes	FSIS plans to hire a contractor in April 1999 for providing assistance with developing contingency plans for FSIS and its local offices.
Business Resumption Teams	Step has not yet been addressed, but FSIS says it plans to establish business resumption teams.
"Zero Day" Strategy	Step has not yet been addressed, but FSIS says it plans to develop a zero day strategy with contractor assistance.
BCCP Test Plans	Step has not yet been addressed, but FSIS says it plans to develop test plans with contractor assistance.
BCCP Test Completion Milestones	Step has not yet been addressed, but FSIS says it plans to establish BCCP testing milestones with contractor assistance.



Actions At Four Component Agencies to Complete Key BCCP Steps (Cont'd)

APHIS protects U.S. agriculture from imported pest and diseases and enhances marketability of our nation's agricultural products abroad

Key BCCP Steps Remaining At APHIS

Acceptable Levels of Output/Recovery Time Objective	Step has not yet been addressed, but APHIS said acceptable levels of output and recovery time objectives will be defined as BCCPs are developed at APHIS' more than 800 local offices.
Contingency Plans and Implementation Modes	Managers were asked to prepare local plans by March 31, 1999, but status is unknown as the local plans are not being collected by APHIS headquarters.
Business Resumption Teams	APHIS said that local offices are reporting that teams are being established as part of their BCCP development effort, but overall status is unknown.
"Zero Day" Strategy	APHIS has begun working to define a zero day strategy.
BCCP Test Plans	APHIS said that several local offices are reporting that they have developed test plans and have already conducted some testing, but overall status is unknown.
BCCP Test Completion Milestones	No testing milestones have been established.



Actions At Four Component Agencies to Complete Key BCCP Steps (Cont'd)

FSA provides expanded economic opportunities for agricultural producers through commodity and income support and farm credit programs

Key BCCP Steps Remaining At FSA

Acceptable Levels of Output/ Recovery Time Objective	Output levels are not being established, but FSA has defined the time period in which it could continue to operate before a contingency must be implemented.
Contingency Plans and Implementation Modes	FSA has been developing more detailed contingency plans, and has a deadline of April 1999 for their completion.
Business Resumption Teams	Business Resumption Teams are not being established—instead, contingency team managers have been designated to work with teams to perform similar purpose.
“Zero Day” Strategy	Step has not yet been addressed, but FSA says it plans to develop a zero day strategy.
BCCP Test Plans	Test plans have not yet been developed, but FSA says it expects to do desktop exercises, given the short amount of time remaining.
BCCP Test Completion Milestones	A June 1999 milestone has been established for completing BCCP testing.



Actions At Four Component Agencies to Complete Key BCCP Steps (Cont'd)

FNS administers America's domestic nutrition programs--food stamps, WIC, and child nutrition and commodity assistance--and delivers these programs working in partnerships with the states

Key BCCP Steps Remaining At FNS

Acceptable Levels of Output/ Recovery Time Objective	FNS believes current operations for benefits systems are the minimum necessary and FNS is revising its draft plan to address recovery times.
Contingency Plans and Implementation Modes	FNS is revising its draft plan to describe contingencies more fully. A contractor will be hired in April 1999 to help FNS regions determine states' progress on developing BCCPs, but FNS does not plan to develop contingencies for responding to potential Year 2000 failures at state levels.
Business Resumption Teams	FNS is revising its draft plan to address business resumption teams. Generally, these are the same individuals as those currently responsible for operating FNS' information systems.
"Zero Day" Strategy	FNS is revising its draft plan to address a zero day strategy, but this strategy will not be finalized until more information is obtained from the states.
BCCP Test Plans	Test procedures for contingencies for financial operations exist, but are not referenced in the draft BCCP. FNS said it will develop plans for testing contingencies for other FNS core processes.
BCCP Test Completion Milestones	Draft plan includes a date for testing financial systems contingencies, but this date has been missed. Milestones for testing contingencies for all core processes will be included in revised draft plan.



Observations on USDA's BCCP Time Frames and Milestones

- USDA reported in its February 1999 Year 2000 quarterly report to OMB that it expected to complete all BCCPs by December 1999
- USDA's December 1999 time frame for completing BCCPs
 - leaves no room for slippage in dates or time for correcting and retesting plans if necessary
 - is after the beginning of fiscal year 2000 (October 1, 1999), when potential failures could have already occurred



Observations on USDA's BCCP Time Frames and Milestones (Cont'd)

- In January 1999, we testified that OMB, which oversees the government's Year 2000 efforts, should consider establishing dates of April 30, 1999 to complete BCCPs and September 30, 1999 to complete testing, which allows agencies time to
 - adjust work schedules should milestones slip
 - address any shortfalls found when testing their plans and make necessary adjustments
 - be prepared for Year 2000 failures that could have already occurred by the start of fiscal year 2000
- Recently, OMB indicated it
 - is developing a process to coordinate work on BCCPs across the agencies
 - has informally notified the agencies to be prepared to submit BCCPs to OMB in June 1999



Observations on USDA's BCCP Time Frames and Milestones (Cont'd)

- However, specific governmentwide milestones for agencies to complete and test BCCPs have not yet been established by OMB
 - To provide time for any slippages or for correcting and retesting plans if necessary, it is important that USDA move up its time frame for completing and testing BCCPs earlier, such as the September 30, 1999 date we suggested
 - Given the substantial amount of BCCP work remaining, advancing the department's time frames would require that USDA agencies and offices set priorities to ensure that, at a minimum, BCCPs are completed for the highest priority business processes
 - Currently, priorities have not been established for first completing BCCPs that address Year 2000 risks for the department's 43 highest priority business processes
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Recommendations

- We recommend that the Secretary of Agriculture direct that the CIO advance the department's December 1999 time frame for completing and testing agencies' BCCPs to no later than September 30, 1999.
- We also recommend that the Secretary direct that the Undersecretaries for USDA's 7 mission areas--as well as the CIO, Chief Financial Officer, and Assistant Secretary for Departmental Administration--have their respective agencies and offices:
 - develop priorities for completing and testing BCCPs which are aligned with the department's 43 highest priority business processes to ensure that remaining work addresses these processes first



Recommendations (Cont'd)

- establish specific milestones to complete key interim BCCP steps that have not yet been adequately addressed, including:
 - defining acceptable levels of output/recovery time objectives
 - documenting contingency plans that clearly describe contingency triggers and implementation modes
 - establishing business resumption teams
 - developing “zero day” strategies
 - developing contingency test plans
 - conducting contingency tests
- report regularly to the Secretary progress on meeting these milestones to ensure that the agencies adequately address all key business continuity and contingency planning steps that are appropriate to each agency

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